



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer

**SUBJECT: NEW PARKING METER
TECHNOLOGY**

DATE: May 18, 2004

Approved	/s/	Date
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In the Mayor's March 17, 2004 Budget Message, the Mayor emphasized finding creative solutions to provide transportation infrastructure and services despite the difficult budget times. The City Manager was directed to evaluate and report back to the City Council about any other revenue enhancing initiatives, such as installing new parking meters that provide new data technology to monitor parking activities and potentially increase revenues.

SUMMARY

The Department of Transportation (DOT) is working with interested stakeholders to evaluate available emerging technologies, including the use of Smart Cards into the City's on-street and off-street parking operations. Smart Card technology, in combination with advancing technology in parking meters and parking equipment, would enable a secure, convenient and reliable payment method for use at City-owned parking facilities and parking meters.

The DOT is exploring a pilot program in Japantown that would upgrade the existing parking meters and sign up merchants to accept Smart Cards. This would allow Japantown patrons to access parking meters, and enjoy business services and restaurants using a Smart Card. Overall, the pilot program, in partnership with the San Jose business community, would provide an opportunity for the use of new technology and provide a new revenue source as well as a repeat customer base for the merchants. Participating businesses would have the opportunity to sell Smart Cards to customers for the purchase of goods and services at their own and other participating businesses and for use at parking meters. The initial discussion with the Japantown Business Association has been very well received.

If a pilot program is successful, the City could consider extending it to other business districts including the greater downtown involving numerous hotels and businesses in coordination with the Convention and Visitors Bureau.

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The Department of Transportation will continue to monitor the advancements made in the parking industry, stay in contact with cities that are testing or implementing any new technology, and look for opportunities to perform tests and pilot projects in San José.

/s/

JAMES R. HELMER

Director of Transportation